

KEY INFORMATION SUMMARY SHEET

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



Request for Proposals No. S00R4400010 Single Family Real Estate Owned (REO) Appraisal Services

Procurement Officer: Jean Peterson
410-514-7358
(FAX) 410-514-7313
peterson@mdhousing.org

Submit Proposals to: Department of Housing and Community Development
Attention: Jean Peterson
100 Community Place
Crownsville, Maryland 21032-2023

For directions, click on "Contact Us" on the DHCD website
<http://www.mdhousing.org/Website/home/index.aspx>

Solicitation Issue Date: February 12, 2014

Pre-Proposal Conference: February 26, 2014, 2:00 p.m. At DHCD, Crownsville, MD
Main Conference Room

Closing Date and Time: March 10, 2014, 2:00 p.m. local time

Anticipated Contract Start: April 10, 2014

NOTICE

Prospective Offerors who have received this document from a source other than the Issuing Office should immediately contact the Issuing Office and provide their name and mailing address so that any amendments to the RFP and other communications may be sent to them.

Minority Business Enterprises and Small Businesses are encouraged to respond to this solicitation

STATE OF MARYLAND
NOTICE TO VENDORS/CONTRACTORS

To help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes to provide comments and suggestions regarding the enclosed solicitation. Please return your comments with your bid/proposal or, if you have chosen not to respond, fax the completed form to 410-987-4676.

1. If you have responded with a "no bid" please indicate the reasons below:

- ☐ Other commitments preclude our participation at this time.
- ☐ The subject of the Contract is not something we normally provide.
- ☐ We are inexperienced in the work/commodities required.
- ☐ Specifications are unclear, too restrictive, etc. (Please Explain in Remarks Section)
- ☐ The scope of work is beyond our current capacity.
- ☐ Doing business with Government is simply too complicated. (Please Explain in Remarks Section)
- ☐ We cannot be competitive. (Explain in Remarks Section)
- ☐ Time allotted for bid/proposal is insufficient.
- ☐ Start-up time is insufficient.
- ☐ Bonding/Insurance requirements are prohibitive. (Explain in Remarks Section)
- ☐ Bid/Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in Remarks Section)
- ☐ MBE requirements (Explain in REMARKS section)
- ☐ Prior experience with State of Maryland contracts was unprofitable or otherwise unsatisfactory. (Explain in Remarks Section)
- ☐ Payment schedule is too slow.
- ☐ Other: _____

2. If you have submitted a bid or proposal, but wish to offer suggestions or express concerns, please use the Remarks section below. (Use reverse or attach additional pages as needed.)

REMARKS: _____

Vendor Name: _____ Date _____

Contact Person: _____ Phone _____

Address: _____

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ATTACHMENTS:

- A. Contract Terms**
- B. Bid/Proposal Affidavit**
- C. Contract Affidavit**
- D. Minority Business Enterprise Participation**
- E. Living Wage Attachment**
- E-1 Living Wage Affidavit**
- F. Investments in Iran**
- G. Price Proposal Form**

SECTION 1. PROPOSAL INFORMATION

1.1 PURPOSE

The Maryland Department of Housing and Community Development (DHCD), a principal department of the State of Maryland (State), is issuing this Request for Proposals (RFP) seeking proposals from Offerors experienced in preparing appraisal reports for single family homes to perform appraisal services for properties in the DHCD Real Estate Owned (REO) portfolio. Specific qualifications and services to be provided are outlined in Section 3 of this RFP. It is DHCD's intention to award contracts to up to two (2) Offerors whose proposals are determined to be the most advantageous to the State and DHCD.

1.2 ISSUING OFFICE AND PROCUREMENT OFFICER

The sole point of contact in the State for purposes of this Request for Proposals (RFP) is the Procurement Officer at the Issuing Office address listed below:

Jean Peterson
Department of Housing and Community Development
100 Community Place, Room 3.617
Crownsville, Maryland 21032-2023
Telephone: 410-514-7358
Fax: 410-514-7313
E-mail: peterson@mdhousing.org

This RFP is also available on DHCD's website in PDF format:
<http://www.dhcd.state.md.us/Website/procure/procure.aspx>.

1.3 PROCUREMENT METHOD

This Contract will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03.

1.4 QUESTIONS

Questions will be accepted from prospective Offerors and should be submitted in a timely manner to the Procurement Officer only. E-mail submission of questions is preferable, but questions will also be accepted by mail or facsimile to the Procurement Officer.

The Procurement Officer will decide whether an answer can be given before the closing date, based on the availability of time to research and communicate an answer. Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all Offerors who are known to have received a copy of this RFP.

1.5 PROPOSAL SUBMISSION REQUIREMENTS AND DEADLINE

An unbound, clearly marked original and three (3) copies of the Technical Proposal, in a separate sealed envelope marked “REO Appraisal Services – Technical Proposal” and an unbound, clearly marked original and three (3) copies of the Price Proposal in a separate sealed envelope marked “REO Appraisal Services – Price Proposal” must be received at the Issuing Office no later than the date and time listed on the Key Information Summary Sheet, in order to be considered, except as provided in COMAR 21.05.02.10. The original shall be clearly identified and shall bear the original signature of the individual authorized to commit the firm.

Requests for an extension of this date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt at the Issuing Office. Proposals submitted by e-mail or facsimile will not be accepted. Opened proposals will not be returned to Offerors.

1.6 PRE -PROPOSAL CONFERENCE

A pre-proposal conference will be held at DHCD, 100 Community Place Crownsville, Maryland 21032 at the date and time listed on the Key Information Summary Sheet. While attendance at the pre-proposal conference is not mandatory, information discussed may be significant. Therefore, all interested parties are encouraged to attend in order to better prepare proposals. In addition, attendance may facilitate the Offeror’s understanding and ability to meet the established Minority Business Enterprise (MBE) goal.

1.7 MULTIPLE OR ALTERNATE PROPOSALS

Neither multiple nor alternate proposals will be accepted.

1.8 DURATION OF OFFER

Proposals submitted in response to this RFP are irrevocable for a period of one hundred twenty (120) days following the closing date. This period may be extended at the Procurement Officer's request only with the Offeror’s written agreement.

1.9 MANDATORY CONTRACTUAL TERMS

By submitting a proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the standard contract terms and conditions, included as Attachment A. Any exceptions to this RFP, or Attachment A attached, must be clearly identified in the Executive Summary submitted with the Technical Proposal. A proposal that takes exception to these terms may not be reasonably susceptible of being selected for award.

1.10 INCORPORATION OF RFP AND PROPOSAL

The applicable sections of this RFP and the successful Offeror's proposal shall be incorporated into the resulting contract.

1.11 BID/PROPOSAL AFFIDAVIT AND RESIDENT AGENT

Offerors must submit a completed Bid/Proposal Affidavit, Attachment B, with their Technical Proposal. If an item on this Affidavit is not applicable, please indicate so. All blanks are to either contain an answer or a Not Applicable designation.

Additionally, in order to legally conduct business within the State of Maryland, all corporate entities must appoint and maintain a Resident Agent who receives legal process and other communications on behalf of the entity.

The failure to register and designate a Resident Agent may foreclose or hinder the company's ability to legally enter into contracts and gain access to the state courts. Moreover, it may subject the company to monetary, civil, and possibly criminal sanctions. Also, failure to maintain a Resident Agent may cause your company to fall out of "good standing" within the State. This will subject your license to do business within the State to forfeiture, with monetary penalties assessed to reinstate your company to a "good standing."

1.12 CONTRACT AFFIDAVIT

All Offerors are advised that if a contract is awarded as a result of this solicitation, the successful Offeror will be required to complete and submit to the Procurement Officer a Contract Affidavit confirming that all statements made on the Bid/Proposal Affidavit (Attachment B) remain true and correct in all respects as of the date of the Contract. A copy of this Affidavit is included for informational purposes as Attachment C of this RFP.

1.13 CONFLICT OF INTEREST

Each Offeror warrants that there are no relevant facts or circumstances that give rise or will give rise to a conflict of interest. Offerors shall disclose by certification, as part of their technical proposal, that there exists no conflict of interest between the Contractor and/or analyst(s) and any owner of an assisted or unassisted affordable multifamily rental housing, as defined above, in the market areas. The successful Offeror who is awarded the Contract has a continuing obligation to disclose to DHCD the above information through the term of the Contract.

The Procurement Officer will make a determination as to whether a conflict of interest exists. If it is determined that there is a conflict of interest, and that conflict of interest cannot be resolved, the Procurement Officer may reject the offer under COMAR 21.06.02.03B. If a conflict arises during the term of the Contract, the Department reserves the right, in its sole discretion, to terminate the Contract if the conflict cannot be resolved to DHCD's satisfaction.

1.14 REVISIONS TO THE RFP

If it becomes necessary to revise this RFP, amendments will be provided to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Failure to acknowledge receipt does not relieve the Offeror from complying with all terms of any such amendment.

1.15 RFP CANCELLATION / REJECTION

The State reserves the right to cancel this RFP at any time prior to contract award pursuant to COMAR 21.06.02.02. The State also reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP and to waive or permit cure of minor irregularities in any manner necessary to serve the best interests of the State of Maryland. Offerors whose proposals are not accepted will be notified in writing.

1.16 INCURRED EXPENSES

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal or in performing any other activities relative to this solicitation.

1.17 ECONOMY OF PREPARATION

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of this RFP.

1.18 PROTESTS/DISPUTES

Any protests or disputes related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10, Administrative and Civil Remedies.

1.19 USE OF EMARYLAND MARKETPLACE

e-Maryland Marketplace is an electronic commerce system administered by the Maryland Department of General Services. In addition to using the DHCD web site (www.mdhousing.org) and other means for transmitting the RFP and associated materials, the solicitation and minutes of the pre-bid/proposal conference, Offeror questions and DHCD responses, addenda, and other solicitation related information may be provided via e-Maryland Marketplace.

This means that all such information is immediately available to organizations that subscribe to e-Maryland Marketplace. Because of the instant access afforded by e-Maryland Marketplace, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to e-Maryland Marketplace, free of charge.

1.20 MINORITY BUSINESS ENTERPRISES (MBE)

- A. A Minority Business Enterprise (MBE) subcontractor participation goal of 23% has been established for this procurement. The successful Offeror shall structure its subcontracts in a good-faith effort to achieve that goal using businesses certified by the State of Maryland as minority owned and controlled. During the term of the Contract, the successful Offeror is prohibited from changing the Minority Enterprise Utilization Plan as submitted (per Section 1.19 B below) without the prior written consent of DHCD.
- B. MBE requirements are specified in Attachment D of this RFP. Subcontractors used to meet the MBE goal in this RFP shall be identified using Attachment D-1, which **must** be completed, signed and submitted with each bid or proposal. **Proposals submitted without this attachment completed and fully executed shall be deemed not reasonably susceptible of contract award.**
- C. A current directory of MBEs is available through the Maryland State Department of Transportation, Office of Minority Business Enterprise, P. O. Box 8755, B.W.I. Airport, Maryland 21240-0755; phone number is 410-865-1244. The directory is also available at <http://www.mdot.state.md.us>; select the *MBE Program* label. The most current and up-to-date information on MBEs is available via the website.
- D. Minority Business Enterprises are encouraged to respond to this solicitation as prime contractors. MBE vendors are encouraged to obtain MBE certification from the Maryland Department of Transportation, Office of Minority Business Enterprise. Direct all certification-related questions to:

Office of Minority Business Enterprise
Maryland Department of Transportation
P.O. Box 8755
BWI Airport, Maryland 21240-0755
(410) 859-7328
http://www.mdot.state.md.us/MBE_Program/
- E. Maryland-certified minority contractors shall include the certification number on the Price Proposal. Prime contractors who are themselves MBE-certified must meet the MBE subcontract participation goal.
- F. By its response to this solicitation, the Offeror acknowledges the MBE subcontract participation goal and affirms that the approved MBE participation level is a contract deliverable to be performed by one or more certified MBEs. During the term of the contract, the successful Offeror shall comply with the Minority Enterprise Utilization Plan described in Attachment D.

1.21 ACCESS TO PUBLIC RECORDS ACT NOTICE

Offerors should give specific attention to the clear identification of those portions of their proposal that are considered confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. This information is to be placed after the Title Page and before the Table of Contents of the respective proposal to facilitate public inspection of the non-confidential portion of the proposal. Respondents are advised that, upon request for this information from a third party, DHCD is required to make an independent determination whether the information may be disclosed (see COMAR 21.05.08.01).

1.22 ARREARAGES

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State of Maryland. This includes the payment of taxes and employee benefits. The Offeror shall not become so in arrears during the term of the Contract if selected for contract award.

1.23 VERIFICATION OF REGISTRATION AND TAX PAYMENT

Before a corporation can do business in the State of Maryland it must be registered with the Department of Assessments and Taxation, State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for contract award.

1.24 RECIPROCAL PREFERENCE

The provisions of State Finance and Procurement Article Section 14-401 and COMAR 21.05.01.04 shall apply to this solicitation. If applicable, a nonresident Offeror submitting an offer for this solicitation shall attach to the offer a copy of the current statute, resolution, policy, procedure, or executive order of the resident state for the nonresident Offeror that pertains to that state's treatment of nonresident Offerors for similar services. A preference shall be identical to the preference that the other state gives to its residents.

1.25 FALSE STATEMENTS

Offerors are advised that section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

- A. In connection with a procurement contract a person may not willfully:
 - (1) falsify, conceal, or suppress a material fact by any scheme or device;
 - (2) make a false or fraudulent statement or representation of a material fact;
 - (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.

B. Aiding or conspiring with others – A person may not aid or conspire with another person to commit an act under subsection (A) of this section.

C. Penalty – A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

1.26 ELECTRONIC FUNDS TRANSFER

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The COT/GAC X-10 Vendor Electronic Funds Registration Request Form may be downloaded from: <http://compnet.comp.state.md.us/gad/pdf/GADX-10.pdf>.

1.27 SMALL BUSINESSES

Although this is not a Small Business Reserve procurement, small businesses are encouraged to respond to this solicitation and to register with the Maryland Department of General Services for the Maryland Small Business Reserve Program through a self-certification process at <https://www.smallbusinessreserve.maryland.gov/registration/>.

A "Small Business" is defined as a business, other than a broker, that meets the following criteria:

- The business is independently owned and operated;
- The business is not a subsidiary of another business;
- The business is not dominant in its field of operation;
- The wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years; and

- The construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years.

If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses the determination will be based upon employment levels and projected gross sales.

A Small Business is not the same as a Minority Business Enterprise, but a business can be both if it has been certified by the Maryland Department of General Services as a Small Business and has been certified by the Maryland Department of Transportation Minority Business Enterprise Program as a Minority Business Enterprise.

SECTION 2. CONTRACT INFORMATION

2.1 PARTIES TO THE CONTRACT

The contract entered into as a result of the response to this RFP shall be by and between the successful Offeror as Contractor and DHCD, and shall include the terms and conditions of Attachment A of this RFP and generally the provisions of this RFP. Any exceptions must be clearly identified in the Executive Summary section of the Technical Proposal. Attachment A is included for information only and is not to be submitted with the Offeror's proposal.

2.2 CONTRACT TERM

The contract resulting from this RFP shall commence after all appropriate State approvals have been obtained, and shall extend for a period of two (2) years.

2.3 CONTRACT TYPE

The Contract awarded as a result of this solicitation shall be an indefinite quantity contract per COMAR 21.06.03.06 A (2) with unit prices of a fixed-price type.

2.4 COMPENSATION AND METHOD OF PAYMENT

The Contractor will be compensated upon submission to, and approval by DHCD, of an invoice reflecting the per appraisal price as listed in the Price Proposal Form, Attachment G, multiplied by the number of appraisals performed during the invoice period.

The Contractor will not be reimbursed for travel, clerical, or incidental expenses.

2.5 SCOPE OF CONTRACT

Work to be performed and the services to be provided by the Contractor will consist of the items described in Section 4 of this RFP.

2.6 CONTRACTOR RESPONSIBILITIES

The Contractor will assume sole responsibility for all work to be performed under their Contract and will be the sole point of contact for DHCD with regard to contractual matters.

2.7 WORK PRODUCTS

All products, including work papers, draft documents, notes, calculations and all other written materials regarding the engagements prepared under the terms of this contract are the property of the State of Maryland, and shall be delivered at the end of the contract in a form useable to DHCD.

2.8 INDEMNIFICATION

The Contractor agrees to indemnify and hold harmless DHCD and the State from all liability which may hereafter be incurred by reason of dissemination, publication, distribution, or circulation in any manner whatsoever of any information, data, or records pertaining in any way to the contract by the Contractor and its employees.

2.9 LIVING WAGE REQUIREMENTS

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Attachment E entitled Living Wage Requirements for Service Contracts). **If the Offeror fails to submit and complete the Affidavit of Agreement, the State may determine an Offeror to be not responsible.**

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier Area. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The contract resulting from this solicitation will be deemed to be a Tier 1 contract or a Tier 2 contract depending on the location(s) from which the contractor provides 50% or more of the services. If the contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the contract will be a Tier 1 contract. If the contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the contract will be a Tier 2 contract. If the contractor provides more than 50% of the services from an out-of-State location, then the contract will be deemed to be a Tier 1 contract. The Offeror must identify in their Offer the location(s) from which services will be provided.

2.10 LIQUIDATED DAMAGES

This Contract requires the Contractor to make good faith efforts to comply with the Minority Business Enterprise (“MBE”) Program and contract provisions. The State and the Contractor acknowledge and agree that the State will incur damages, including but not limited to loss of goodwill, detrimental impact on economic development, and diversion of internal staff resources, if the Contractor does not make good faith efforts to comply with the requirements of the MBE Program and MBE contract provisions. The parties further acknowledge and agree that the damages the State might reasonably be anticipated to accrue as a result of such lack of compliance are difficult to ascertain with precision.

Therefore, upon a determination by the State that the Contractor failed to make good faith efforts to comply with one or more of the specified MBE Program requirements or contract provisions, the Contractor agrees to pay liquidated damages to the State at the rates set forth below. The Contractor expressly agrees that the State may withhold payment on any invoices as a set-off against liquidated damages owed. The Contractor further agrees that for each specified violation, the agreed upon liquidated damages are reasonably proximate to the loss the State is anticipated to incur as a result of such violation.

1. Failure to submit each monthly payment report in full compliance with COMAR 21.11.03.13B (3): \$25.15 per day until the monthly report is submitted as required.
2. Failure to include in its agreements with MBE subcontractors a provision requiring submission of payment reports in full compliance with COMAR 21.11.03.13B (4): \$ 88.04 per MBE subcontractor.
3. Failure to comply with COMAR 21.11.03.12 in terminating, canceling, or changing the scope of work/value of a contract with an MBE subcontractor and/or amendment of the MBE participation schedule: the difference between the dollar value of the MBE participation commitment on the MBE participation schedule for that specific MBE firm and the dollar value of the work performed by that MBE firm for the Contract.
4. Failure to meet the Contractor’s total MBE participation goal and sub-goal commitments: the difference between the dollar value of the total MBE participation commitment on the MBE participation schedule and the MBE participation actually achieved.
5. Failure to promptly pay all undisputed amounts to an MBE subcontractor in full compliance with the prompt payment provisions of this Contract: \$94.33 per day until the undisputed amount due to the MBE subcontractor is paid.

Notwithstanding the use of liquidated damages, the State reserves the right to terminate the contract and exercise all other rights and remedies provided in the Contract or by law.

SECTION 3. MINIMUM QUALIFICATIONS

The following qualifications must be met to be considered:

- A. Experience. The Offeror shall have prepared written real estate appraisal reports for single family residential properties which comply with Uniform Standards of Professional Appraisal Practice (USPAP) for at least the past five (5) years in Maryland, and have experience in the preparation of appraisals for single family foreclosed residential properties; and
- B. Licensing. All appraisers comprising the engagement team shall hold and continue to hold for the term of the contract at least one (1) of the following licenses from the Maryland Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors (“the Commission):
 - 1. Certified Residential Real Estate Appraiser; or
 - 2. Certified General Real Estate Appraiser.
- C. Appraisers shall be authorized to access the necessary data from the MRIS and Eastern Shore FLXMS systems.

SECTION 4. SCOPE OF SERVICES

4.1 BACKGROUND

In its role as a housing finance agency, DHCD takes possession of certain single family properties whose owners have defaulted on their DHCD mortgage. These foreclosed properties then become units in Maryland Housing Fund (MHF) Real Estate Owned (REO) portfolio, either as properties owned by the Community Development Administration (CDA) or MHF. In order to go forward with the foreclosure, and subsequently prepare these properties for sale, DHCD requires an appraisal. DHCD anticipates that approximately 20 (twenty) appraisals per month may be assigned to the Contractor; however, the actual number may be more or less, as dictated by the volume of business encountered.

MHF also orders appraisals on homes covered by MHF Mortgage Insurance under a variety of DHCD programs as part of the foreclosure process. When a property is acquired by MHF through foreclosure, DHCD requires an appraisal that gives an “as is” and “as repaired” valuation. DHCD also requires a report on damages that are judged to be “beyond normal wear and tear,” which is defined as damages incurred to real property that exceed the effects of normal wear and tear, and that exceed \$2,500.00 in remediation costs. Interior and exterior trash and debris are not to be included in the damage calculation. Additionally, MHF, as part of its new insurance business, may require either a field or a desk review appraisal, submitted to DHCD by the originating lender. As a Mortgage Insurer, MHF is also responsible for the reviewing and

approval of appraisals submitted for mortgage insurance applications. The purpose of this RFP is to invite qualified firms to provide property appraisal services for single family REO properties located throughout Maryland.

4.2 SCOPE OF SERVICES

The Contractor shall:

- A. Prepare appraisals using one of the following as requested:
 - 1. Uniform Residential Appraisal Report Fannie Mae Form 1004 REO, revised March 2005;.
 - 2. Fannie Mae form 2055 as revised 2005, exterior report;
 - 3. Fannie Mae form 2000 as revised 2005, appraisal review; and
 - 4. Desktop Valuation. ACI form Desk Top Valuation revised 2006 (or similar).
- B. Include the following items with the Uniform Residential Appraisal Report:
 - 1. REO Addendum with as-is and as-improved values based upon typical marketing time and 30 day imposed marketing period, when requested. Supplemental addendum as applicable to assignment;
 - 2. Photos of the subject property's front, rear, and street scene;
 - 3. Interior Photos; to include each room, bathroom, kitchen, basement room(s), mechanical systems, HVAC, sump pump & sprinkler heads if applicable. Photos of significant items of deferred maintenance for all "Interior" appraisals;
 - 4. Photos of comparable properties;
 - 5. A floor plan for all "Interior" appraisals;
 - 6. A map showing the location of the subject and all comparables;
 - 7. A flood map, if the subject property lies within a 100-year flood zone; and
 - 8. A statement of limiting conditions.
- C. Submit appraisals to DHCD within seven (7) business days of assignment as directed by the DHCD Contract Manager at the time of assignment.
- D. Submit to the DHCD Contract Manager:
 - 1. A monthly invoice itemizing each appraisal provided to the DHCD during the invoice month; and

2. A quarterly report identifying the cumulative number of appraisals provided to DHCD during the contract year.

4.3 ENGAGEMENT TEAM

The Contractor shall:

- A. Assemble a project team of appraisers with the necessary qualifications to perform the services required under the Contract; and
- B. Ensure there is a sufficient number of certified appraisers to meet DHCD's requirements within the specified timeframes.

4.4 ERRORS AND OMISSIONS INSURANCE

The Contractor shall have in effect and maintain throughout the term of the Contract, errors and omissions insurance coverage of not less than \$300,000 per occurrence.

4.5 CONTRACT MANAGER

After contract award and throughout the course of the project, the Contract Manager listed below will schedule the Contractor's work, review the Contractor's work as it is submitted, and monitor the performance of the Contractor.

Jeffrey Squire, REO Manager
100 Community Place
Crownsville, Maryland 21032
Phone: 410-514-7575
Fax: 410-987-4238
Email: squire@mdhousing.org

SECTION 5. PROPOSAL FORMAT

5.1 TECHNICAL PROPOSAL

The Offeror's Technical Proposal should be prepared in a straightforward and concise manner, detailing the Offeror's capabilities to satisfy the requirements of this RFP and should conform to the Outline listed in Section 5.1.B below.

A. General:

Offerors shall submit, under separate cover, a clearly marked unbound original and three (3) copies of the Technical Proposal in a separate sealed envelope titled "REO Appraisals - Technical Proposal."

Offerors should include a transmittal letter on the Offeror's stationery, signed by an individual who is authorized to bind the company to all statements in the proposal and the services and requirements as stated in the RFP.

B. Outline:

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1. Tab 1 – Minimum Qualifications

The Offeror shall provide evidence that it meets the minimum qualifications described in Section 3 and for Residential Real Estate Appraisals by:

- A. Demonstrating it has five (5) years of recent experience in Maryland residential appraisal services as described in Section 3 (A) of this RFP;and
- B. Providing copies of licenses from the Commission as described in Section 2 (B) of this RFP.

2. Tab 2 – Executive Summary

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled "Executive Summary". The summary shall provide a broad overview of the Offeror's understanding of the contents of the RFP and of the how the Offeror's proposal meets the scope of services outlined in Section 4. If any addendum or amendments have been issued to this RFP, the Offeror shall acknowledge same in this section. Also, any exceptions to this RFP or the terms and conditions outlined in Attachment A or any other attachment must be clearly identified in this section. Exceptions may result in the proposal being rejected or not reasonably susceptible of being selected for award.

3. Tab 3 – Residential Real Estate Experience

The Offeror shall describe how the proposed services meet the scope of service requirements listed under Section 4 by:

- 1. Listing by year the number of residential real estate appraisals, including preparation of written appraisal reports, completed in 2009, 2010, 2011, 2012, and 2013. Include the dollar value of the property appraised. The dollar value of the property appraised may be represented by either a:
 - Specific listing of the individual properties with the corresponding dollar values; or
 - Summary of numbers of appraisals within dollar range increments as follows:

\$ 0 - \$100K
\$101K - \$200K
\$201K - \$300K
\$301K - \$400K
Over \$400K

2. All Maryland jurisdictions (county or incorporated municipality) in which the Offeror has completed residential real estate appraisals (including appraisals for private clients) from 2009-2013.

4. **Tab 4 - Qualifications and experience of the Engagement Team**

The Offeror shall list the qualifications and experience of the Engagement Team including resumes and number of appraisals performed for similar projects to the scope of work in the RFP.

5. **Tab 5 – References**

The Offeror shall provide the names of three banks, mortgage brokers, or other mortgage lending clients for whom the Offeror has performed residential real estate appraisals within the last five (5) years.

DHCD reserves the right to call any known former or current client.

6. **Tab 6 – Required Submissions**

- A. Bid/Proposal Affidavit (Attachment B) – completed and signed by an individual authorized to bind the Offeror. All questions are to be answered on Attachment B. If a question is not applicable please indicate so;
- B. MBE Form, Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) completed and signed by an individual authorized to bind the Offeror. **Proposals submitted without this attachment completed and fully executed will result in the State’s rejection of the Offeror’s Proposal to the RFP;**
- C. Maryland Living Wage Requirements Affidavit of Agreement (Attachment E-1);
- D. Certification Regarding Investments in Iran (Attachment F).

5.2 **PRICE PROPOSAL**

Submit an unbound, clearly marked original and three (3) bound copies of the Price Proposal in a separate sealed enveloped titled “REO Appraisals – Price Proposal.” The Price Proposal must be in the format specified in Attachment G and be signed by an official authorized to bind the Offeror.

SECTION 6. EVALUATION PROCEDURE AND CONTRACT AWARD

6.1 EVALUATION COMMITTEE

The Procurement Officer shall establish an Evaluation Committee, which may include individuals from within or outside of State government. The Procurement Officer reserves the right to reject, in whole or in part, any and all proposals received as a result of this RFP, to waive minor irregularities in proposals, and to enter into discussions with all responsible Offerors in any manner deemed necessary to serve the best interest of DHCD and the State. Offerors whose proposals are not accepted will be notified in writing.

6.2 DISCUSSIONS/ORAL PRESENTATIONS

All Offerors who appear to be responsible and whose proposals are initially classified as being reasonably susceptible of being selected for award (or potentially so) may be required to participate in discussions with, the Evaluation Committee. Offerors will be notified as to a date for oral presentations. Offerors must confirm in writing any substantive oral clarification of their proposal made in the course of discussions and all written clarifications will become part of the Offeror's Technical Proposal.

Price Proposals from only those responsible Offerors whose proposals are finally deemed reasonably susceptible of being selected for award will be opened following the discussion and presentation process.

If following the opening of the price proposals, the Procurement Officer determines that further discussion is in the best interest of DHCD and the State, the Procurement Officer will notify all of the Offerors of the date on which such discussions will be conducted. Upon completion of all discussions and upon receipt of any "best and final offers" submitted as a result of such discussions, the Evaluation Committee shall recommend to the Procurement Officer the award of the Contract to the responsible Offeror whose combined technical and price proposal is determined to be the most advantageous to DHCD and the State.

6.3 TECHNICAL PROPOSAL EVALUATION CRITERIA

The Evaluation Committee will conduct their evaluation of the Technical Proposals received on the basis of the following criteria in descending order of importance:

- A. Minimum Qualifications as described in Section 3. If the Minimum Qualifications are not met, no further evaluation will be conducted, as the Offeror will be deemed not qualified;
- B. Information provided in the Executive Summary pursuant to Section 5.1.B(2);
- C. Residential real estate appraisal experience performing the tasks described in Sections 4.2 and 5.1 B (3);

D. Qualifications and experience of the Engagement Team Section 4.3 and 5.1.B (4);and

E. References, as described in Section 5.1 B (5)

6.4 PRICE PROPOSAL SELECTION CRITERIA

Price Proposals will not be opened until the evaluation of the Technical Proposal is complete. The Price Proposal evaluation will be based upon the prices submitted by the Offeror on Attachment G – Price Proposal Form, and best and final offers, if any. Proposals will be ranked in order from lowest to highest cost to the State.

6.5 WEIGHTING OF TECHNICAL AND PRICE PROPOSALS

The Technical Proposal will have more weight than the price proposal in determining the most advantageous offers.

6.6 CONTRACT AWARD

It is DHCD’s intention to award contracts to up to two (2) Offerors whose proposals are determined to be the most advantageous to the State and DHCD, making the contract awards as follows: the Offeror ranked highest overall by the Evaluation Committee (the “Primary Contractor”) and the Offeror ranked second highest overall by the Evaluation Committee (the “Secondary Contractor”).

DHCD reserves the right to award only to one (1) Contractor if that is felt to be in the best interests of the State.

6.7 SELECTION CRITERIA

If two (2) contractors are awarded a contract, DHCD will first notify the Primary Contractor of each appraisal assignment. The Primary Contractor is the Contractor who was ranked highest overall. If the Primary Contractor is unable to meet DHCD’s required deadline due to workload, DHCD will notify the Secondary Contractor, or the second highest overall ranked awardee of the contract for the appraisal assignment.